

ELEMENTARY ECONOMICS

OF

INDUSTRY & COMMERCE

BY

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Lately, Indian Tutor to H H the Maharaja of Rewa.

Rs 5.

Please write to —

The Manager,

'FOR YOUNG PRINCES' SERIES,

REWA, C. I.

Dedicated

With respectful regards and humble
duties

to

His Highness

Samrajya Maharaja Dhiraj

Shri Maharaja Bandhwesh Sir

Gulab Singhju Deva Bahadur, K C S.I.

Maharaja of Rewa

by

the author

FOREWORD.

- This book is the fifth volume of the series which I have been issuing for Young Princes. It deals with Industry and Commerce and is amplified from the lecture I delivered to His Highness the Maharaja of Rewa when I was his tutor.

As has been explained in the foreword of the preceding volumes references have not been preserved and I again repeat the apology rendered in the foregoing volumes of the series

A list of books consulted has, however, been given at the end of this volume to help references.

I am sincerely thankful to K S Fitze, Esqr, B A., I C S. Political Agent in Baghelkhand, Satna, for going through my manuscript and supplying this book with a preface and to my other friends for making useful suggestions

REWA, C I
24th October, 1928

KESARI SINGH.

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PREFACE.

Having read with much appreciation Rao Saheb Kesari Singh's series of publications "for Young Princes", and considering them to be a valuable asset to anyone interested in the education of Young Rulers—or indeed of any young men destined to play a part in the administrative arena, I regard it as a privilege to contribute a brief preface to the Rao Saheb's fifth and latest compilation. It deals with a subject in which he has, in recent years, enjoyed special opportunities for practical experience. He has also, as will be seen from the list of books appended to this volume, fortified himself by a wide study of the literature of commerce and economics. The result is an admittedly elementary but very wide and clear survey of the facts and considerations which form the basis of modern commerce and industry. Such

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a survey should certainly not be excluded from the education of any 'Young Prince'—on the contrary it should be given a prominent part therein as a most valuable corrective to that tendency to excessive conservatism which may so often result from heredity and environment.

The author has referred in his book to this factor of conservatism and may perhaps be thought to have unduly discounted the power which it still exercises in India. Few would accept without qualification the statement that "Indians have now learnt to give up their old habits of hoarding by means of preparing ornaments or burying their treasure in the earth". There are also still wide tracts in which it would be rash to say that "people are becoming conscious of the importance of manual work". The Rao Saheb himself must be well aware of areas in which persons who might be expected to take the lead in agricultural and other forms of progress esteem it a defilement to

put their hands to the plough and are content to be maintained by the labour of others in ignorant and unfruitful idleness

The remedy undoubtedly lies in the dispelling of ignorance, and such a publication as this, which gives the bare facts in the simplest literary form, cannot but have great possibilities for good. I hope that it may come into the hands of many 'Young Princes' and may help to broaden their outlook and awake their interest in a subject which no one who has to grapple with the problems of modern administration can afford to overlook

K S FITZE,

B A , I C S ,

Political Agent in Baghelkhand

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Elementary Economics of Industry and Commerce.

PART I.

INTRODUCTION.

CHAPTER I.

IMPORTANCE OF THE SUBJECT.

It would be a matter of surprise to some that Industry and Commerce have been given such a unique place in the series for Young Princes. But if the matter would be given careful consideration it would appear that the subjects are of greater importance than they at first sight appear to be. In these days when peace is to be found in India the

Princes are not at liberty to widen the territorial limits of their States. On the other hand, all their activity should be confined to peaceful operations of economic development within their own dominions if they want to leave a footprint on the sands of time and command the respect, esteem and confidence of those who come into contact with them. The problem is even greater. The needs of administration are ever increasing and the amenities of life which the progressive sciences make more and more available make the life more and more complex and expensive ; and, unless economic development takes place, either a Prince would have to stagger behind or would live in want and penury. It will be seen in the circumstances that a volume on the Elementary Economics of Industry and Commerce is not out of place in the series for Young Princes.

There is no doubt that the main work of a Prince is the administration of his State but the administration these days is deeply connected with the problems of Industry and Commerce. Conceding that a Prince may have never to deal directly with the technique of Industry and Commerce it remains undisputed that he shall have to bring his intellect to bear on the questions of economic importance which will from time to time be referred to him and on his grasp of the proposals submitted and their effect on the prosperity of the State will depend the success of his administration to an appreciable extent. It is therefore essential for Young Princes to get an elementary knowledge of the Economics of Industry and Commerce.

CHAPTER II.

WANTS AND THEIR SATISFACTION.

Human beings are so fashioned that they have wants and for the satisfaction of these wants they have to take action. Had Providence been more merciful and so adjusted matters that human beings would have wanted nothing beyond what nature supplies profusely to them, there would never have arisen human activity which is necessary in order to obtain what human beings want. But man being what he is, he has wants which cannot easily be satisfied and these wants have to be met by means of efforts.

Efforts may have originally been made individually and to an extent sufficient to provide each human being for his daily needs but in course of time some one must have learnt to be prudent and preferred to lay by provisions for bad days and unfavourable

times This led him on to work harder and as time passed on he can be imagined to have found that he could do a certain kind of work much better than somebody else So the man took to it and more skill and dexterity came by practice. Thus he surpassed his neighbour in that special kind of work and he began to depend for the satisfaction of his wants not on what he produced by his own effort but on what he obtained, in exchange for what he produced, from somebody else, who had similarly learnt to take to some other branch of work Thus arose exchange of what he produced for what he needed These productive efforts were originally undertaken by each man separately, but members of the family and friends must have joined him gradually and it came to be recognised in due course of time that men working in harmonious co-operation among themselves turn out much more than

the total of the work turned out by each man separately. So men took to making efforts in groups forming castes and guilds, and these groups began to devote themselves to separate kinds of work. These groups gradually specialised in the kind of work that their habits and characteristics and the climate of their country permitted them and depended for the satisfaction of their wants on what they could get in exchange from similar groups of men working similarly elsewhere.

In course of time original exchanges would have become a very tedious process. A state of affairs can easily be imagined in which a man or a group of men has got some thing ready for exchange but some other man or group has got what the first group wants but is not prepared to accept in exchange what the first group offers. If necessity is the mother of invention the necessity of removing

this inconvenience must have brought about introduction of money as a medium of exchange.

Thus money introduced in due course should have eased the situation a good deal. If a man has got stones or weapons to give he would exchange them with money and with this money purchase what he wants from who-soever offers it for sale.

Thus money income began to indicate the result of effort made.

As civilisation advanced men began to do various kinds of work whereby they earned a money income and from that income they purchased what they wanted and thus satisfied their wants

Recapitulation.—It would be seen from what has been said above, that human beings being what they are, they have wants, and in order to satisfy their wants, they make efforts.

These efforts were first made individually to satisfy individual wants. Then Barter became introduced, and results of efforts made began to be exchanged. In course of time division of labour began to be practised more and more, as its advantages began more and more, apparent, till money became introduced as a medium of exchange and the divisions of labour today have become very complex indeed. People now mostly make efforts in order to produce what will satisfy the needs of others.

This results in money income which enables the producers to satisfy their wants.

CHAPTER III. PRODUCTION.

Production means creation of additional capacity for satisfying want. Let illustrations to understand this.

A savage goes to the jungle and kills an animal in order to appease his hunger. What has really happened is, that meat has been obtained to the savage and the animal has been lost to the jungle. Therefore, the wealth produced by the effort of the savage is equal to utility of meat to the savage minus the utility of animal in the jungle.


Similarly when a carpenter takes a piece of wood and makes a table of it, the wealth produced by the effort of carpenter is utility of table minus utility of wood.

There are three requirements for production, viz. —

1. Land.
2. Labour and
3. Capital.

LAND

The term land is used for gifts of nature. It is really a narrow one and does not describe



the real character of the part played by nature in productive effort. Gifts of nature would suit better but the term "land" has been retained as it is used most by writers on the subject.

No productive effort is possible without the help of the gifts of nature. Hence gifts of nature are one of the requirements of productive effort. Take illustrations.

A man wants to cultivate and produce wheat. He requires land and it is a gift of nature.

A man wants to have ice. He wants water which is a gift of nature.

A man wants to build a house. He wants stone what is a gift of nature.

LABOUR.

Labour may be taken to be the term indicating the part played by man in his productive effort. He may do some physical work and

thus undergo labour ; for example, he may clean his field of spontaneous growth and plough it. He may draw out water from the well and put it in ice manufacturing machine. He may collect stones and put them in the right place. All this is labour, because a man does some physical work in his effort to produce wheat, make ice or build a house.

A man may, besides physical work, do mental work and that will also amount to labour.

CAPITAL.

Capital is the name given to all those things which a man has produced in the past and saved in order to help him in the production of more wealth. Capital is generally classified as of two kinds. Fixed and Circulating. Fixed Capital is that which is capable of rendering repeated services *e. g.* buildings, plant, machinery etc. while Circulating Capital

is that which can only perform its service once *e. g.* raw material.

CHAPTER IV. ORGANISATION.

Modern society has added, and rightly too, one more element to complete the factors of production, namely, Organisation.

When many people join together and form a group in order to produce wealth, they bring the factors of production together, but they may not succeed in getting all their ingredients in right proportion. Therefore Organisation or Management is placed in the hands of what is known as Manager or Organiser and he looks to the relation of the various parts to the whole. The success of the productive effort depends upon his skill, judgment and foresight.

He must possess exceptional ability in the organisation of the work, the control of capital

and the power to foresee changes in the markets. It is his duty to pay the labourer his wages, the capitalist his interest, the land owner his rent, and taxes to the Government, and whatever surplus remains after his expenses of production have been paid accrues to him as profit or payment for the risks he has undertaken and the skill he has displayed.

Often it happens that the Manager alone is not capable of bearing the whole burden of organisation. In such cases, the task of undertaking the risk is separated from the actual work of control and direction. The former is generally taken up by those who furnish capital, and the latter by the Manager and a body of persons called Directors.

CHAPTER V.

STAGES OF ORGANISATION.

We have seen that man originally produced

individually for himself. Every thing that a man wanted for himself in order to satisfy his wants he had to procure for himself and none helped him in his attempts for obtaining satisfaction of his wants. This may well be called the first or self-supporting stage in the history of organisation for production,

SELF-SUPPORTING STAGE.

In this stage if a man wanted food, he grew his own grain ; and if he wanted clothes, he grew his own cotton and spun and wove into cloth ; and if he wanted shelter, he dug out earth and built his own walls and roofed them with materials, which he himself brought from waste land, and so on.

But this stage of life can not possibly last very long. Sooner or later men in this stage begin to want something more than they can produce themselves. These wants give an incentive for production greater than just

sufficient to meet their need This motive for producing more than is likely to be required brings men into touch with other people and leads them onward to the second stage of production which may well be called the artisan stage of production

ARTISAN STAGE

Herein the producer produces not for himself but for the satisfaction of wants of others His intention is to obtain his own satisfaction by the proceeds from the sale of his production Gradually he begins to think that he can do one thing much better than something else and specialises in that i.e. he does that work only and, if possible, nothing else, and of course he does it with greater skill than others The result is that in this stage various trades grow up wherein a man or body of men work on a small scale in order to satisfy the wants of others and then

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satisfy their own wants from the proceeds of their sale. This stage of market production on a small scale naturally led to market production on a large scale. •

FACTORY STAGE.

In this stage, people join together in large numbers in order to produce better and cheaper. Each man or each small group of men take up only a part of the many portions of work to be done and thus they produce things of better quality and in greater number than is possible if the same number of men individually complete the whole work unaided. Machinery is used in this stage to a very great extent and the result is that there is mass production of uniform things which satisfy the wants of people far and near.

CHAPTER VI.

DIVISION OF LABOUR.

Throughout the stages of organisation described in the last chapter there is one item which is all important and it is the Division of Labour. It begins when the man ceases to produce for his own consumption. As the question of production for men becomes more and more complex the need for greater and greater division of labour is felt. Actually the progress in the stages of production is, in other words, the progress of the division of labour, and it may therefore be said that the efficiency of the productive labour depends very largely on the extent to which the division of labour is introduced. An example may be taken which is very often taken notice of in illustrating the advantage of division of labour and it is that of pinmaking. A

workman, who works individually for himself, could scarce perhaps with his utmost industry make one pin in a day, and he certainly cannot make twenty; but in the way in which this business is carried on now, each man in a pin factory makes something like 5000 pins in a day, and in well managed factories the outcome may be far greater. Herein one man may draw out the wire, another may straighten it, a third may cut it, a fourth may give points to it, a fifth may grind it at the top for receiving the head and two or three men may make the head which is again a series of distinct operations each undertaken by a man. In this way about 10 men may combine together in producing a pin each, doing a part of the process but none doing the whole and thus producing thousands of pins every day.

It would be apparent from what has been

said above that the division of labour results in the following advantages —

(1) A man works at one thing only and he therefore gains skill and dexterity in doing that work

(2) As processes become more and more sub divided, they become simpler and operations are reduced to routine work. Introduction of machinery then becomes more and more possible and as more and more machinery is used, the out put becomes greater, and the production becomes cheaper

Thus the division of labour has played a very important part in the history of organisation of production and it has done one thing more which has so far not been noticed. It has given great diversity to occupations of mankind which can of course easily be understood

Recapitulation — So we have seen that it is

the wants of men which is the centre of all economic activities. These wants lead him to work first in order to satisfy them for himself, then of others but on a small scale, and thereafter on a large scale wherein large number of people can work together in order to make mass production possible. It is this last production which leads to the development of Industries *i. e.* establishment of works in which something is produced which satisfies human wants. But production is made to satisfy not the wants of the individuals producing, but of others, and therefore the thing produced must be arranged to be sent to the persons wanting to use it. This transmission from producer to consumer is comprised in the word 'Trade'. It is through trade that the commodity produced exchanges hands and finds itself with the man who wants to satisfy his wants with it. It may be stated here that

there are various ways in which trade is helped and exchange made easier, for example, means of transport may be made more convenient, an easy medium of exchange may be arranged, safeguards in the course of transmission may be provided and so on.

When trade is considered with all these connected subjects it is represented by the word 'Commerce' and it is the object of this little book to initiate the reader to the basic principles of Industries and Commerce.

PART II.

INDUSTRIES.

CHAPTER VII.

INTRODUCTORY.

An Industry is a productive occupation in which a considerable number of people are employed. An Industry may be carried on a large or on a small scale.

LARGE SCALE INDUSTRIES.

It is one of the most marked tendencies of modern times that an industry is carried on on a large scale. The domestic system of industry has given place to factory system and the smaller factories have made way for larger establishments. The advantages of a large undertaking in these days are apparent. In the first place, it permits a very systematic organisation and admits of a thorough application of division of labour. It affords oppor-

tunities for experimenting,. the expense of which smaller undertakings cannot bear. The Manager or the head of a large establishment can delegate part of his work to his subordinates and can reserve himself to devoting his time and thoughts to the general direction and superintendence of business. Moreover, a large establishment can generally buy what it requires, on advantageous terms and can employ well paid and trustworthy servants. It can draw its employees from a wider area. It can obtain greater facilities for transport and can push its wares to far distant countries by advertising and employing commercial travellers. It can ascertain the condition of various markets, can introduce various patterns which attract attention and inspire greater confidence of its customers.

These are some of the advantages possessed by large undertakings but the greatest advan-

tage of all is the command over capital and consequent use of machinery which a large undertaking secures. The system of limited liability* introduced in order to float large enterprises opens up resources of capital which know no limit. No wonder that large scale industries are taking the place of smaller ones.

SMALL SCALES INDUSTRIES

It may at the same time be admitted that there are certain aspects of industries which are profitable when carried on a small scale. Such industries demand incessant vigilance and personal interest and do not command a market large enough to render profitable the thorough application of the principle of division of labour.

* Under this system the sharers are responsible only to the extent of the contributions made by them i.e., their liability is limited.

CHAPTER VIII.

CLASSIFICATION OF INDUSTRIES.

Industries can be classified under four heads—

1. Agricultural.
2. Manufacturing.
3. Mining and
4. Services.

AGRICULTURE.

This is by far the most important of all industries as it makes available some of the greatest necessities of life *i.e.* food and raw materials. Agriculture is in different stages of progress in different countries and in India it is in a very primitive stage. The Indian farmer depends for competition with the world of modern times on the knowledge of agriculture that he inherits from his forefathers. He is mostly an ignorant person not even with knowledge of reading and writing

and consequently his economic position is very precarious. Agriculture does not permit of organisation as systematic as manufactures do and consequently there is less room for application of the principle of division of labour. The labourers must be scattered over the country and they cannot be concentrated in masses as is possible in manufacturing centres. Their work varies with the season, and they cannot devote their entire energies solely to some small department of this great industry. Moreover the business of superintendence and the advantages of unremitting personal watchfulness and close personal interest are more important in agriculture than they are in manufacture.

Agriculture will always remain an industry of private adventurer but all the same the condition of Indian agriculture is peculiar and very backward.

Unless the application of mechanical appliances advances at a more rapid race, unless greater scientific knowledge, more vigorous enterprise, more abundant capital, better rotation of crops etc. become the common heritage of the agriculturists their place cannot be but far in the rear in the struggle of competition. Drastic changes in the system of education and Government action alone can bring this about.

MANUFACTURING.

The object of manufacture is to give greater utility to raw-materials extracted from the earth. The miller takes the wheat from the farmer and grinds it into flour. The weaver takes the raw cotton and weaves it into cloth and so on. Manufacturing increases the value of a commodity by making it more useful to man *i.e.* by changing its form into one adapted to better fulfil the wants of man.

It is in this industry that the division of labour and introduction of machinery play a very important part and make mass production and consequently cheap production possible. In general language when people talk of industries they generally refer to manufactures.

At the present moment India is very backward in the matter of manufacturing industries though the position is not so bad as that of agriculture. It is said that there was a time when India was one of the chief manufacturing countries in the world. Her manufactures found market in many foreign countries. But Indian industries were always worked by hand labour. The artisans inherited from their ancestors or acquired by experience a dexterity and skill which was not surpassed by artisans of other countries. Not only did they supply necessary articles

but they turned out arts of great excellence. The metal works and cotton fabrics attained to considerable magnitude in many parts of the country but the industrial revolution which began in Europe in the latter part of the last century brought about the decay of Indian manufactures. The older methods of working by hand labour came to be surpassed by new ones of working by power and machinery. The Indian artisans, however, continued to work as their forefathers did—without capital, without machinery and without organisation. Each man went on working by and for himself as before. The appliances of use remained unchanged. There was no co-operation amongst them and division of labour was practised only to a very limited extent. No attempt was made to render Indian Industries more efficient by reorganising them on modern lines. For

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some time the Indian Industries struggled for life but were ultimately killed or crippled by competition with foreign manufactures. Revival, however, began with the introduction of western organisation and system of manufacture in India. Steam and electricity are now superseding hand power. Old industries are being given a new garb and new ones are cropping up in every direction. The situation is still full of difficulties but it can now be said with some confidence that India is well on the road of developing its manufactures on modern lines.

MINING

These industries have reference to obtaining from underneath the earth surface various articles of utility either as raw materials for the production of those wanted by men, or as valuables which are cherished by human beings. The mining industry is akin to

agriculture in as far as both of them are concerned with production from the earth. India is rich in minerals almost of every kind but its mineral productions, like manufactures, were enterprises on a small scale and consequently went to ruin when mass production became the rule of the day. During the past few years, however, conditions are rapidly changing in India and the revival of mining industries on modern European lines gives a prospect of prosperity.

SERVICES.

This term is given to a group of all those callings which are concerned with a transfer of raw materials from the producer to the manufacturer, and of the finished product from the manufacturer to the consumer. Railway porters, merchants and brokers are convenient illustrations of persons engaged in the services.

It may be mentioned here that this group

includes those persons also who are not directly concerned with industries but who by their services contribute to the progress of the human race and maintain peace which make the establishment and the running of industries possible. Among such are those of doctors, teachers, soldiers, policemen and clerks etc. These services are many in type and are necessary supplement to other services which have a direct bearing on industries. Soldiers, Sailors and Judges and Policemen all give us a sense of security and of support, in case of need clergymen and teachers do much not only to instil knowledge but also to promote honour, good-will and inculcate high principles which smoothen human life, singers, actors and entertainers in general give happiness and supply amusement in hours of leisure after a day of toil which prepare the minds and bodies of the men for the next day of

work. Doctors and dentists help people to keep fit and domestic servants render direct personal services in ways too numerous to mention and clerks do the ordinary kind of intellectual work.

There are various kinds of occupations in the world these days, but the classification given above is very simple, and includes the most important of them, and is, therefore, adopted in this book.

CHAPTER IX.

SOME CONSEQUENCES OF LARGE SCALE INDUSTRIES

The advantages of large scale manufacture have been described in some detail in this book, but factories have not been an unmixed blessing. The troubles, which they cause to people working in them, have been recognised to be real, and various methods have been

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adopted to remove them wholly or in part. Two of these methods are—

1. Factory Legislation and
2. Recognition of Trade Unions.

FACTORY LEGISLATION.

Factories have not only brought ruin to the domestic trade, but more than that, they have brought misery to the people who work in them.

The capitalist employer being naturally in a dominant position has often tyrannised over the employees and it has been recognised that help should be rendered to the weaker party by introducing Factory Legislation. Thus laws have been passed restricting the number of hours of work to a reasonable period each day, prohibiting Sunday labour, prescribing intervals of rest and special concession for women and children. Machinery has been ordered to be fenced so as to protect the lives

of the labouring people from being lost by carelessness or negligence. Rules have been framed and enforced in order to secure good water supply and sufficient ventilation in the factory buildings. Inspectors have been appointed to see that laws are not violated and to ventilate breach of them when detected.

TRADE UNIONS.

This is a new factor that has come into existence with the springing up of factories, and which cannot be neglected. Trade Unions are voluntary associations of various kinds by means of which the economically weak can, through combination and co-operation, secure advantages, which, as individuals, they would not be able to attain.

It would be seen that whereas the Government renders assistance to the employed by legislation, the employees help themselves by voluntary association. An association of this

kind consists, as far as possible, of all the skilled workers in a particular trade. It excludes workers of other trades who may have their own similar association. The main object of these associations is to promote in every possible way the economic interest of their numbers and the means with which they gain their object are two :

1. Negotiations and
2. Strikes.

Whenever there is difference of opinion between the employer and members of the Union, the first step taken is to conduct negotiations, *i.e.* the representatives of either side meet and make an effort to come to a settlement of the matters in dispute.

If negotiations fail, strikes are resorted to. They are mere trials of strength and do not always end in justice being done. The stronger part wins and such a party need not

necessarily be always in the right. A strike brings hardship and loss to the workers but if the Union Funds are plentiful, the employer is many a time constrained to give way and surrender to the demands of the workers. The right to strike is a weapon in the hands of Trade Union and may well be used when negotiations had failed and when the justice and urgency of the cause of workers really warrant it. But it has been observed in actual life that strikes are accompanied by a spirit of violence and mischief, and it is not always that the strikers gain what they want. Trade Unions have been formed almost all over India, and it is plain that unless the employers are absolutely fair to the employed, they will have to reckon with a lot of disturbances and interruptions which are injurious to the industry as a whole, besides to the parties concerned.

Thus regulated by what is called Factory Legislation and Trade Unions, Indian Industries worked on Western lines find a hopeful future before them. In the beginning, they were financed by capital from outside ; but the Indians have now learnt to give up their old habits of hoarding by means of preparing ornaments or burying their treasures in the earth, and so quite a good number of these industries are now financed and managed by the Indian capitalists. We now take a glance at the existing industries of India.

CHAPTER X.

INDIAN INDUSTRIES.

The development of Industries depends mainly upon the skill and environment of people, or in other words, upon the national characteristics of the people and the physical circumstances of the country. If we make

an application of this statement to Indian Industries, we should first of all understand what sort of people they are who live in India and what kind of country is India in which they live.

The most important part of India is an alluvial plain and so agriculture is by far the most important industry in India. It is a fact that nine out of ten persons live by tilling ground, by pasturing the cattle, and by working in the forests. In a previous book of this series, the agriculture as is practised by the cultivators of India is described. In this book now reference would be made to its economic aspects.

AGRICULTURE.

Agriculture in India is being very conservatively practised. The cultivators lead from a hand to mouth life and the slightest disturbance in the weather touches them

prejudicially. Indeed so much does the prosperity of the industry depend upon the vagaries of weather that the Budget of the Government of India has once been described to be a gamble in rain. If the rainfall is timely and its distribution even, there is promise of abundance but the monsoon is frolicsome. It is never entirely as it is wanted. In some part of the country either there is no rainfall or less than necessary or there are floods, and it would be a very fortunate year indeed if the whole of India passes a good season. The only redeeming feature is that the monsoon has upto now been never known to deceive the whole country. It is only a part, may be small or big, that is affected at one time, and so the distress is never as acute as it could be if the whole country would unfortunately become subject to the unkind pranks of the water clouds.

Such being the condition, the cultivators are never free from the anxiety they feel for their crops. But they have to face another trouble, and it is the minute sub-division of fields on account of laws of inheritance and partition prevailing amongst the people. Most fields have become so small that they have ceased to pay. Of course want of education and facilities for securing capital on easy terms are also responsible for the bad condition of the Industry in India. It is conceded that Agriculture is an Industry which will have to be practised on a small scale only. In the first place, personal supervision is an essential factor in securing success in it, and in the second place, it is practised on the surface of the land and so concentration of people in one place is not possible. Moreover, machinery can also be introduced only partially. But all the same there is great room for progress. What lines

the progress would take future alone would show, but it is admitted on all hands that agriculture in India is a premier industry though unfortunately it is in a very backward state.

MANUFACTURES.

Next to agriculture, people are busy in the manufacture of finished product from the raw materials.

This manufacturing industry of India can be divided into two parts (a) village manufactures or small scale industries worked by hand labour and (b) manufactures by machinery or large scale industries worked by power.

Of the first kind, weaving of coarse cotton cloth by hand looms, silk weaving or wool weaving, wood carving and metal working are important illustrations. The majority of people in India wear coarse cotton cloth and hand loom weaving has always been a very impor-

tant industry for them. Silk worms thrive in Bengal and so silk is spun and woven in that Province. Wood carving and metal working carpentry, pottery, shoe making, etc. are carried on all over India. These are small scale industries and have long been the main stay of the people.

But industries of this nature have greatly been displaced by steam power manufactures originally associated with the enterprise of Europeans. So great has this displacement been that the big scale industries have become the rule of the day. Let us now see some of these industries.

COTTON INDUSTRY.

Weaving of cotton is the most important industry of the country next to agriculture. Hand loom-weaving reached perfection in the production of fine cloths ; the Indian muslins were, in fact, fabrics of unrivalled delicacy

and beauty. The preliminary processes of ginning, cleaning, and spinning are also important industries by themselves. Formerly, cotton used to be hand-ginned, mostly by women. But now hand-ginning has been superseded to some extent by power-gins. Cleaning and pressing are very often combined with ginning in the same factories. Spinning of thread was, and to some extent still is, a domestic industry, the chief occupation of women. The indigenous method is slow but cheap. Hand-loom weaving has suffered greatly in competition with machine weaving, and hundreds of thousands of workers have been thrown out of work. The weavers of Bengal, whose fame at one time extended over Europe, have suffered most from foreign competition.

Weaving mills have now been established in various parts of the country, but a large

proportion of the population is still dependent on hand-loom weaving. Hand-loom weaving, however is more expensive than power-loom weaving. The establishment of weaving mills is therefore the only means of meeting European competition.

During the last twenty-five years there has been a great development of the mill-weaving industry, especially in Bombay and the Central Provinces. The produce of these mills is now able to hold its own against foreign produce. It is believed that the abolition of the excise duty on cotton manufactures will lead to a further growth of the weaving industry.

Allied to weaving is knitting. This industry has received a great impetus from the new spirit. It gives employment to a large number of women who may be engaged to work with machines in their own homes for piece-wages.

Other cotton industries are those of rope-making, carpet-making, tent-making etc. cotton carpets or durries form the subject of an important industry in the United Provinces. Artistic work or dress was at one time very much in demand, but is now in a declining state.

JUTE INDUSTRY.

The East India Company was anxious to find a good substitute for hemp, and in the early years of the 19th century a Dundee manufacturer experimented with a jute fibre of India and showed that it can be used as substitute for hemp. In course of time, difficulties of bleaching and dying the fibre have been removed and jute has gained rapidly in popular favour.

At first the export trade in raw fibre came into existence with establishment of jute mills at Dundee but by the middle of the last

century a factory was established at Serampur and some years later factories sprung up rapidly in and round Calcutta until the banks of the Hooghly are now dotted with smoking chimneys and immense expansion had taken place in the jute industry. The fibre is spun into the yarn and is worked up into string and rope and woven into gunny cloth or bags. Bengal really enjoys a monopoly of this industry and there is no fear in near future of its losing it.

SILK INDUSTRY.

Bengal is the chief silk producing Province in India while Burma and the Punjab use the largest quantities of silk. Bombay imports its supplies from China and distributes raw silk to Northern and Central India. The Bengal factories works up what is called Tassar silk but the imports of manufactured silk show a remarkable expansion and this

is bound to have injurious effect on the indigenous silk industry.

The process of weaving silk is the same as that of cotton, but it requires greater care and hence the use of a specialised kind of machinery. The greater part of the silk production is done by the hand-loom. Silk factories have, however, been established in Bengal and Assam.

WOOL INDUSTRY.

Woollen manufactures consist of coarse woollen blankets and piece goods and in Kashmir the spinning and weaving of wool extends to the production of highly finished articles and artistic goods but steam power woollen mills of Cawnpore, Dhariwal, Bombay and Bangalore supply 'serges, broad cloth, flannel and hold their own in the market.

The indigenous woollen industry of Northern India suffered much in competition

with cheap German goods. Attempts have been made during the last few years to develop the industry on modern lines. In the Punjab and the United Provinces, a number of woollen mills have been started, those at Dhariwal and Cawnpore being the most important of them. Woollen carpets of good quality are made in the United Provinces.

DYEING INDUSTRY.

Dyeing was at one time a very thriving industry but the native dyes, though better and more lasting, have to a large extent been replaced by cheap synthetic dyes. Indian dyes are manufactured from various stuffs, such as indigo, catechu, al, safflower, lac, and turmeric. The manufacture of coal-tar dyes has been begun in some parts of the country, but nowhere on a fairly large scale. Synthetic dyes received a set back on account of the European War but they appear to retrieve their position

and hold the market again as they did in pre-war times.

CHEMICAL INDUSTRIES

The once flourishing chemical industries of India have been almost stamped out by the foreign manufacturer. The foreign chemical product has obtained a supremacy in India, however, not merely because it is cheaper but mainly because it can be depended on for uniformity of quality. Several factories—the chief among them being the Bengal Chemical works of Calcutta—have during the last few years been doing very good work in the way of reviving the chemical industries of India.

INDUSTRIES CONNECTED WITH FOOD GRAINS

The manufacturing industries connected with food grains are rice-hulling, wheat-milling, bakeries, and biscuit manufactures. Flour mills have of late been started in many

towns, but in Northern India milling is still done mainly by hand. Small machines are now extensively used for rice-hulling and hand flour-mills are also coming into general use. In Bengal and the Punjab, several biscuit factories have been started.

SUGAR INDUSTRY.

Sugar was one of the important industries of India, but it can hardly be said to be now in a flourishing state. Refined Indian sugar fails to compete successfully with imported sugar because of the wasteful methods employed. With the adoption of improvements in the method of pressing the cane, of boiling down the juice, and of sugar refining, together with an improvement in the production of the raw material, the industry is likely to thrive once more. Several small sugar factories have been started in the country.

OIL INDUSTRY.

Oils and oil-seeds form the subjects of useful industries throughout the country, but there is ample room yet for their further expansion. The cotton-seed industry has materially helped to make the United States one of the foremost among the industrial nations of the world. The export of cotton-seeds involves an immense loss to the country and the development of industries in connection with them is sure to be useful both in a direct and in an indirect way.

PERFUMES AND ESSENTIAL OILS.

These are important industries in the United Provinces. Ghazipur, Jaunpur and Kanauj are famous for the produce of *sirs* and other perfumes, rose-water, and various kinds of perfumed oils. A few perfumery factories on western models have been established in Calcutta, Bombay and some other cities. Soap

is manufactured by the indigenous process, and also in factories on modern lines. The soap factories of Calcutta and Meerut do work on a fairly large scale.

DAIRY FARMING.

This is more akin to agriculture than to manufacture. It ought to be a flourishing industry in India, but unfortunately it is in a languid state. The supply of milk and its products, such as butter, *ghee*, *malha*, etc. has now greatly contracted. The best efforts of the people should be directed towards an industry which would supply them with the best and most nutritious kind of food. For this purpose, the improvement of cattle and an increase of grazing fields are absolutely essential.

TOBACCO INDUSTRY.

It is very extensive, and is growing in magnitude. Manufacture of *biri* is carried on a large scale and as *biris* are very cheap there

is no fear of their replacement though cigarettes have appeared in every nook and corner of India.

TIMBER INDUSTRY.

Judged by the standard of foreign demand, it may be said that Teak is by far the most important timber in India. *Babul, Sal, Shisham, Kikar, Deodar,* and bamboo are greatly valuable to the people as building material. There are some fine forests in India but their distance from the market is an obstacle to their being useful for trade purposes. Saw mills have, however, been opened up in Bengal, Assam, Bombay and Madras, and as time passes expansion is expected to take place in timber and other jungle industries.

PAPER INDUSTRY.

The manufacture of paper was at one time an extensive hand industry, but now it has almost died out. Paper mills are now working

in some towns; but they can hardly be said to be in a flourishing condition.

LEATHER INDUSTRY.

Local manufactures in skin and leather in India have managed to survive long though the factory productions and various imports have been in competition with them. The largest number of tanneries is in Southern India though the tanneries at Cawnpore produce saddlery, shoes and trunks etc. Leather goods are imported from foreign countries in large numbers and rich people prefer them on account of their better make and finish.

Leather industry is progressing in India though it is not free from occasional set-backs. Chrome-tanning which was first begun in Madras only a few years ago, has now been adopted in almost every part of the country. Tanneries have been established all over the country, the most important centres of manu-

facture being Agra, Cawnpore, Calcutta, Bombay, Cuttack and Madras.

POTTERY INDUSTRY.

It is of two kinds. Ordinary pottery and glazed pottery. The former is worked by *Kumhars* while the latter is worked by modern methods in factories. The pottery at Vellore deals with fine white clay which yields readily to delicate treatment and when glazed turns into green or brown.

GLASS INDUSTRY.

The manufacture of glass by the indigenous method has existed from very early times. Bangles are made of crude glass obtained from *sch* or saline deposits on barren land. Flasks, inkpots and some other small things are blown from crude glass. Glass factories were a few years ago started in several places, some of which had, however, to be closed.

Resume —So we know that India manufactures some of its raw products into finished goods but the extent to which it does, compared with what it can do, is so small that the manufacturing industries in India cannot at present be said to occupy a leading place. Patriotic Indians claim that when more industries become developed the dependence of India on agriculture would be comparatively less and to that extent India would become free from the effects of famine which are indissolubly connected with agricultural industry in India.

MINING AND METALS.

The chief metals and mineral productions are iron, coal, oil and gold.

In the metal industries many of the local handicrafts attain to considerable magnitude, "The high quality of native-made iron", says Sir Thomas Holland, "the early anticipation

of the processes now employed in Europe for the manufacture of steel and the artistic products in copper and brass gave India at one time a prominent position in the metallurgical world", Copper and brass vessels which are necessary articles in every household are even now manufactured in every district. The chief centres of manufacture are, however, Murshidabad, Srinagar, Benares, Mirzapore, Moradabad and Mysore. The artistic and jewellery works of Multan, Cuttack, Madura, Poona and other cities are famous all over India. Business in these arts is usually done on a small scale by blacksmiths and silversmiths, who have been in existence for years in different parts of the country. The lockworks of Calcutta, Aligarh, and Hathras, have been doing very good business. The manufacture of steel trunks is becoming a very useful industry. The aluminium industry of

Madras has become important during the last twenty years.

IRON INDUSTRY.

The wasteful indigenous process of smelting iron in small furnace is a great drawback in the growth of iron industry. Several iron and steel factories have, however, been recently established. The Tata Iron and Steel works have started work on a very large scale. The railway companies have their own workshops, some of which are of considerable size.

COAL INDUSTRY.

It is the most valuable mineral product that is being worked in India. It is by far the largest supporter of labour and Railways are its chief consumers. Their existence has further opened up new markets for coal by making it available to distant ports and manufacturing towns. There are coal fields in

Bengal, Central Provinces, Central India, the Punjab, Hyderabad and Rajputana.

OIL INDUSTRY.

Various kinds of vegetable oils are manufactured in India for illuminating purposes, but the kerosine oil has driven these almost completely out of use. It was at first imported from America and then from Russia, but Burmah oil competed with these foreign products and oil springs have been now opened in the Punjab, Baluchistan and Assam. Nothing has effected the domestic economy of the people of India so much *as mitti-ka-tails*.

GOLD INDUSTRY.

It is the most valuable of the metals and is either washed in small quantities in the river gravels or is mined from the rich reef in Kolar fields in Mysore. Gold washing is carried on in many places in India but the individual return is so small that washers

always combine their pursuit with some other occupation. Kolar gold has been worked for unknown ages but European prospectors began to work about the end of the 19th century and since then gold has been extracted by operations on a large scale and schemes of improvements have been introduced which tend to reduce working expenses and thus prolong the life of the gold field.

SERVICES.

It is often complained that India is full of people rendering direct services and there have been heated discussions about lawyers without briefs and graduates without jobs. Some have advocated that it is the system of education which is not only faulty but mischievous in as far as it turns out more graduates than are wanted and, the supply being greater than the demand, the market value of graduates has gone down and has made it an

unprofitable business for young men to become a graduate. These people claim that if the learned professions are now recruited in less numbers and vocational instruction is given instead, the change would solve the problem of unemployed men in India at any rate to a partial extent.

There are others who advocate that the object of education should not be only to impart knowledge but to develop therewith character. Therefore, defective as the method of education given in India at present may be, it is on the whole better than purely vocational education which would kill the soul even though it may procure bread for keeping the body.

It cannot be denied that the education of Indian youths in English language began with the advent of the English and the Schools and Colleges which sprang up, gave the sort of

education that appeared to serve the interests of both the Englishmen and Indians. This brought about a great economic change, and it was this. Everybody who could avail himself of the educational institutions rushed up to get as much English education as his circumstances permitted and this upset the system which was prevalent in India in the earlier centuries.

In pre-English days India with a very few though bold exceptions was the land of castes and caste-systems. On the one hand, there was some advantage in that. The boy who carried on the work of his ancestors found it comparatively easier to follow that profession than one who was a deviator. On the other hand, many youths lived and died unhonoured and unsung, remained cramped up in their hereditary vocation, and they could not give congenial work to their brains.

It may be said that the country on the whole was poorer by caste system though ordinarily young men found it convenient to take up jobs in the profession hereditary in their families.

The introduction of English education brought about a revolutionary change in this structure. Schools and Colleges were thrown open to all castes and creeds. The result was that only one kind of education was given and only one kind of man was prepared for life. As long as there was room for that kind of man in the social structure of India that education was valued and then, when the supply became greater than the demand, naturally the emoluments began to grow less and less and these days inspite of the costly education an Indian youth may manage to have he suffers in his life not so much because he has been trained on bad lines as because there is such a great supply over demand.

To remedy this evil the only method is to reduce the supply by diverting the young men of India from taking up one of the crowded lines of education in great numbers to other lines where they may, with the same expenditure of money and brain, be able to secure greater economic prosperity for themselves. If there are educational institutions in the country which would turn out young men trained in all the sciences and arts to which Indian youths can take recourse with advantage to themselves and to India as a whole, and these institutions are sufficient in number and variety to meet the needs of India, it may then be said that if there is misery and unemployment its causes are to be found elsewhere. But India is at present said to be suffering from an over-supply of certain kinds of institutions and suffering from want of the rest. This in no way means that literary

PART III

COMMERCE.

CHAPTER XI.

INTRODUCTORY.

Commerce, as I have told you, brings about exchange of goods. It arises by one man giving what he owns to another man and receiving instead what he prefers. These changes originally took place of things produced by individuals separately, then of things produced by groups of men in the same country and then in different countries.

In the world as it is today it is inconvenient for the producer or manufacturer to seek the markets for his commodities, since he is sufficiently employed in looking after the workshop and the production of the goods. As a natural consequence, a class of persons has arisen who employ their time and skill in the distribution of the goods. This business of distribution is called Commerce.

The importance of commerce would be easily clear if for one moment a society is imagined in which all persons are engaged in producing and none in bringing about exchanges.

The producer un-relieved of the worry and anxiety incidental to the finding of markets for his goods, is not free to devote his undivided attention to the organisation of the business of production. He has, instead of the trader, to estimate the probable demand for any given line of goods, receive orders, and depend upon his own estimate to bring about co-ordination between demand and supply.

It will be well to stop and consider further the results of a system based on the lack of commerce. With regard to the main product, food staples, the result would be an alteration of waste and want. A good year would bring a surplus for which there would be no market.

A bad harvest, on the other hand, would mean serious suffering because there would be no opportunity to buy food supplies outside and bring them. In these circumstances the food at best would be coarse and monotonous, the houses mere hovels of boughs and mud; the clothes a few garments of rude stuff. Nothing better could be procured so long as everything had to be produced on the spot and made ready for use by the people themselves.

Commerce is therefore as essential as production for the economic welfare of human beings. Actually production is of no avail unless exchange takes place. The only exception is when a producer produces for his own consumption which is a rare occurrence in the world today.

Having understood the importance of Commerce we shall now deal with it.

Commerce includes not merely the buying

and selling of goods, but also their transport, methods of financing and insurance. Thus modern commerce may, for convenience, be divided into two main branches.—Trade and Aids to Trade.

TRADE.

The chief function of the trader is to organise the market and to establish a meeting place for the seller and the consumer. Trade, therefore, includes a great variety of occupations which are concerned with the distribution of the raw materials of production and the finished output of the factory. The trading classes are engaged in distributing the various kinds of goods among the consumers, and by so doing they render more valuable the commodities which are exchanged.

AIDS TO TRADE.

The trader in his function of buying and selling commodities is dependent upon trans-

port facilities for the carriage of his goods; upon the banker for his capital and for the financing of his operations; and, he is always liable to loss of some kind against which, to safeguard himself, he utilises the services of Insurance. In this way traders are helped in various ways. The better the help the greater becomes the scope of trade. We shall deal with some important Aids to Trade in due course in this book.

CHAPTER XII.

TRADE.

We may divide Trade into two big branches, Home and Foreign. If the persons concerned in the dealings live in the same country, the trade is Home or domestic trade; if they are resident in different countries then the trade is Foreign.

Each of these big divisions of trade, however, may be split up further

The Home Trade may be further divided into "Wholesale" and "Retail" whilst the Foreign Trade may be considered from the point of view of "Imports" and "Exports".

People who are prepared to sell in small quantities are said to be engaged in the "Retail Trade." The traders who buy larger quantities of things from the markets to sell in smaller quantities to the retailers are engaged in "Wholesale Trade".

Thus, Home Trade may be considered as being made up of Wholesale and Retail dealings.

In the same way, we may say that Foreign Trade includes two branches. One which deals with the buying of foreign goods abroad and the other which concerns the selling of our own goods abroad. When we buy goods

abroad, and bring them from foreign countries into our own, we are said to "Import". Persons who do this work are known as "Importers" and the dealing which they make we term "Import Trade." On the other hand, if we sell goods to someone in a foreign country, the goods are sent out of our country into that of the foreign buyer. We are said to be "Exporting" goods, the name "Exporters" is given to the traders themselves; and the term "Export Trade" is applied to their dealings.

Foreign Trade, therefore, consists of two branches—Import Trade and Export Trade.

We shall now deal with each of these branches in some detail.

CHAPTER XIII

HOME TRADE.

The Home Trade as we have seen is

divided into 2 parts: Retail Trade and Wholesale Trade.

RETAIL TRADE.

The Retailer keeps a varied stock of goods with the object of being able to supply his customers at a moment's notice. His sole reason for keeping such a stock is that his customers are in the habit of asking for such things or that he thinks they are likely to form that habit. He stocks his shop well because he feels that he will be able to sell his goods at a satisfactory profit.

The retailer's first task, then, is to cater for the needs of his customers. If he wishes to make his business a really successful one he must always be on the alert so that he can note, at the earliest possible moment, any change which may be taking place in the character of his customers' requirements or of their tastes. Human beings are very

changeable on the whole and this is particularly true in some special directions. The retailer must watch all these changes very carefully, because it will mean a big loss to him if a thing goes out of fashion completely when he has a shop well stocked with that particular thing. This being so we may say that, in order to carry out his first duty of catering for his customers' needs, a retailer must try to anticipate what those customers are likely to ask for next and to have the goods ready for them when they do ask.

Some retailers require payment for their goods immediately; others are prepared to allow customers to have goods for which it is only necessary to pay after a time. In the latter case we say that the retailer grants credit to his customers. Now before the retailer allows customers to have goods on credit, he must know something concerning

those people; he must make it his business to find out whether they are likely to prove trustworthy. If he does not do so, he may find that he has difficulty in getting paid for his goods and, consequently, that he is lessening the amount of money he has available for buying more goods. A third duty, then, falls to those retailers who give credit, to study the character of their customers in order to decide (*a*), whether to grant credit at all; and (*b*), how much credit to allow in those cases where some credit may be granted.

All retailers however, are not concerned simply with buying goods to sell to their customers. The dealer in boots and shoes is usually prepared not to sell us his goods but also to do repairs to any boots or shoes of ours which may need attention. Moreover we need not have bought those shoes from

him at all. The jeweller will sell us watches, clocks, rings etc, and he will also do any necessary repairs to them. The cutler will sell us knives and will also sharpen them. Those of us who possess bicycles know that cycle dealers will sell us bicycles and will also repair our punctures though they may charge us more for dealing with the puncture than it would cost us to do it ourselves had we the time, the skill, or may be, the energy. And our more fortunate fellow-citizens who possess motor cars know that the agent who sells cars will also make all necessary repairs.

We may now sum up our examination of this part of the retailer's work by saying that he renders the following services to his customers

- (1) He keeps a varied assortment of goods.
- (-) He is willing to sell in small quantities
- (3) He is often prepared to grant credit.

- (4) Sometimes he also undertakes repair work.
- (5) His shop is usually situated in a convenient position.
- (6) As he often lives amongst his customers, he can give them and their wants his personal attention.
- (7) By anticipating his customers' wants, he enables them to satisfy those wants immediately they arise.

There is just another side to the work of the retailer, another set of services rendered by him, not to his customers, but to those from whom he buys his stock. It has been pointed out already that a retailer must obtain his supply of goods either from the makers of the goods or from another dealer in large stocks, viz the wholesaler. Manufacturers and wholesalers look to the retailers to assist them in getting rid of their stocks of goods. It

may be said, therefore, that the retailer finds the final buyers of goods. Clearly if we—the general public—did not buy things there would be no need for manufactures, wholesalers, or retailers. But as we have numerous wants, and as it is the retailer who usually lives amongst us or, at least, has his business amongst us, it is he who is in the closest touch with us : it is he who sells the goods to us in most cases. So we say that the retailer “finds a market”, that is he finds buyers, for the goods of the manufacturer or of the wholesaler.

He renders a further service to the makers of goods especially if he is an alert and shrewd retailer. He may notice a decided increase in the demand for a certain thing ; or he may observe a distinct falling away of the demand for something else. In such cases he will probably increase his orders or decrease them

respectively. If all retailers were to do likewise obviously the makers would obtain more valuable information. In the one case they would learn that more of their goods were being wanted ; in the other case less. They would, therefore, get their machinery moving to increase their production of the one and would cut down their production of the other.

We may conclude by a summary of the services rendered to the maker by the retailer.

- (1) He finds a market for things produced by the manufacturer.
- (2) By his orders, he gives the maker valuable information concerning the market, *i. e.* whether buyers are increasing in number or decreasing, whether orders are increasing or decreasing not merely in number but in amount.

he buys at the wholesale rate. This advantage is obtained because he buys to sell again, and the wholesale dealer can only carry on profitably when it is to the interest of the retailer to trade with him rather than the grower or the manufacturer.

It is not invariably that we get the specialization of producer and trader, since in very many instances the producer undertakes the distribution of his goods as well as their manufacture. This is effected usually by the establishment of a department specially devoted to the distributive side of the business, so that, although there is unity in appearance, there exists at the same time specialization of functions. Owing to the recent development of capitalism, this tendency will probably continue to extend.

The rapid increase in the production of material wealth has been accompanied by a

more than proportionate increase in the number of people who earn their living by its distribution. For example, during the last forty years, while the total number of occupied persons has only increased by a little more than one half, the number of 'commercial' persons has increased threefold. The actual number of those engaged in the work of trading is much greater than this, since that part of the census returns referring to commercial occupations is chiefly confined to wholesale trade, and leaves out large classes of shopkeepers. It shows however, that an enormously increasing number of merchants, agents, business clerks etc., are engaged in trying to effect wholesale dealings.

CHAPTER XIV.


FOREIGN TRADE.

The principles on which foreign trade is

carried on are exactly the same as those governing any other branch of trade. Trade is an exchange of the goods we have in excess of our needs for the goods another individual has in excess of his needs. Nations, as nations, do not trade with each other, it is the firm in the one nation who trades with the firm in another, and it is important to remember that there is no more antagonism or opposition of interests in foreign trade than there is in the home trade.

The rise of foreign trade is really due to the extension of the principles of the division of labour. Just as it is most economical to employ one set of workers in cultivating the soil and another set in making machinery, so it is found to be economical to produce one particular kind of a thing in one country and another in another. Indeed, it is impossible for a single country, however large, to

produce every thing to satisfy all the wants of its inhabitants within its own borders. For climatic reasons, if for nothing else, one country may produce tea, coffee, sugar, cotton and a host of other articles of every day use better than others and therefore that country may supply these things to other countries. To pay for such commodities other countries would send to this country in return manufactured cotton, woollen and iron goods or anything which they may in their turn produce better. In this way the consumer is enabled to enjoy the use of many articles which he would never even see were it not for the agency of foreign trade. It is therefore to the advantage of both the producer and the consumer to enter into foreign trade. This is the only way of utilising the total productive power of the world to its best advantage. It would be an ideal



distribution if all the natural divisions of the world devoted themselves to the production of those commodities for which they are the best fitted.

There are however limitations to these advantages. It is possible that foreign trade may be in some respects made disadvantageous. A country by recklessly exploiting its limited natural resources, and by exporting continuously large quantities of raw produce, may find that it has sacrificed the future in the interests of the present. In a sense, the export of the raw material is an export of the qualities of the land itself, and by the exhaustion of these qualities it becomes more and more expensive to produce further amounts of the raw material, so that a few years of cheapness may be followed by many years' dearness.

But on the whole foreign trade is a

necessity No country in these times can afford to remain a self contained unit if it is to share the progress of civilisation with other countries We therefore now deal with its two aspects Exports and Imports, with specific reference to Indian Trade

EXPORTS

India is an agricultural country and it also has mines and factories India, therefore sends abroad the crops of its fields, and products of its forests, minerals from its mines and a few manufactured articles In exchange for these she receives those goods which she wants and which are at present difficult to produce therein but which other countries make easily The chief crops of India are millets and pulses but these are required for feeding the Indian population and so very little of these go abroad But large quantities of wheat, rice, oil, seeds, raw cotton,

jute, Indian tea and coffee go to the different parts of the world.

Wheat goes from Karachi and Bombay to Great Britain, rice goes from Burma to China, Japan, Africa and Europe. Oil seeds go chiefly to France. Cotton goes to Japan and Europe for being spun and woven into cloth. Jute goes to Europe and Great Britain where it is woven into coarse canvass. Tea goes to England and the English colonies as the English are the only tea drinking Europeans. French, Germans, Austrians and Italians drink coffee and so do the Americans. So Great Britain, Canada and Australia purchase Indian tea and the Continental nations and Americans purchase coffee of which the French are the Chief consumers.

IMPORTS.

When India sends all these things out, it must bring in, in return, those things which

Indians want. Import trade thus arises and by far the most important import is the cotton or piece goods from England. People in India wear cotton cloth and so it can be understood why big quantities of cloth are being brought over every year. Next in importance to cotton goods come a great number of things manufactured out of iron e. g. bars, beams, bolts, rods, screws, nails, knives, tools, iron sheets, wire and machinery of all kinds, engines and railway material etc. almost all of which are imported from Great Britain. Silver is much used in India both as money and ornaments and it is imported in large quantities from America, Australia and other countries.

India grows sugar-cane but she cannot produce sugar which is as cheap as that manufactured in some other countries and so it imports its requirements of sugar from Java, Mauritius, Germany and Australia.

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The mineral oil comes from Austria, and United States of America but Assam and Burma are supplying more and more every year. Matches come from Sweden, Norway and Japan.

For the well-to-do silk is supplied by Japan and China, horses by Australia and Arabi, enamelled work by Austria, clocks and watches by Switzerland and France and camphor by Japan.

There is some trade which India carries on with bordering countries on the North and both sides of it but it is so small in volume that it is practically negligible and it is not proposed to enter into its details here.

CHAPTER XV.

POLICY OF TRADE.

Policy with reference to trade may be said

to be of two kinds :

- 1 Policy of free trade and
- 2 Policy of Protection.

Free trade is a system in which an equal and uniform treatment is given to both the home and foreign products of the same kind. In Protection discrimination is made in favour of home products. The object is to afford encouragement and to place the home products in a better position and secure them an advantage over other similar products imported from foreign countries. The protectionists depend upon import duty as a weapon with which to fight with the foreign competitor and keep out his commodities so that a fair chance to the home producer to push his goods through be secured. There have been keen controversies on the advantages and disadvantages of the two policies and we may examine what the advocates of each policy have to say.

FREE TRADE.

The advocates of Free Trade point out the following advantages of the system: (1) International trade is like internal trade; the freer it is, the greater are the advantages to both parties; by allowing trade to be absolutely unfettered, every one is liable to buy in the cheapest and to sell in the dearest market; and the gains of all are at a maximum; (2) every nation is in a position to develop its natural advantages to the utmost, and then the world's total wealth is enhanced, because of the distribution of productive energies in the most economical fashion; and (3) Free Trade means good-will among nations and among sections of a community.

To these arguments the opponents of the system would reply that the analogy between internal trade and international trade is not quite correct; that when an industry in one country

is threatened with destruction by a similar one in another, it is no solace to the first that the world's wealth is being augmented at the cost of its own; and that, far from promoting good-will, Free Trade may produce the result of placing one country in economic subjection to another.

PROTECTION.

The reasons that have been usually advanced in favour of Protection are the following: It is necessary to restrict imports in order to secure a surplus of exports so that there may be a balance of trade favourable to the country, (2) protection is beneficial to agriculture as well as to industries, because the resulting increase of wealth and population is likely to afford a larger market for the food and raw material of the neighbourhood; (3) protection has a tendency to increase wages and to raise the standard of living of the

labourer; (4) it furthers an all-round economic development; and secures national industrial independence; and (5, under the fostering care of the State infant industries are protected against unfair competition during the period of their growth, and thus saved from extinction.

The usual objections to Protection are: (1) In principle it is destructive to all foreign trade and the moral and intellectual benefits resulting therefrom; (2) it prevents a country from producing as much in the aggregate as it might produce in the absence of protection, (3) it does not really protect, because it destroys as many industries as it artificially fosters; (4) it diverts capital from its natural channels; (5) it tends to demoralise the industrial classes and to render industry unproductive; (6) it benefits the producer at the expense of the consumer and is thus a robbery of the many

for the benefit of the few; (7) it involves interference of the State with trade and industry and (8) it causes national animosities.

Although some of the positions occupied by the extremists on each side are untenable, there is an element of truth in each of the two opposed doctrines. Cosmopolitanism is an excellent ideal, but a far-off one. So long as the different nations exist, each one of them is naturally eager to develop itself in the best way it can. Free Trade means rivalry among the industries of different countries and when such industries are on a footing of equality, it helps to make each of them stronger; but when the struggle is between a strong industry and a weak one, the weak is sure to be pushed out of the field unless it is backed up by the State. Even the ardent supporters of Free Trade admit that in the "infancy stage of an industry protection is useful".

The conclusion then is that Free Trade may be the general policy but under certain conditions, Protection is not only defensible but is positively beneficial.

CHAPTER XVI. INDIAN TRADE.

India is essentially a land of villages and therefore the bulk of trade has its beginning in Indian villages. There is a trader in almost every village who is a grain merchant as well as the money lender of the village. Sometimes when the villages are small there is a merchant for a number of them. In the same way when the village is a rather biggish one there are to be found in it a number of such merchants. In any way the trade begins with the village merchant. He buys at a time when the village people want to sell their produce and this he buys at a low price. He

generally keeps the grain thus purchased in stock with him and then sells it when he gets a favourable price either to the inhabitants of the same village or to the outsiders. These sales and purchases are sometimes done individually in private homes but mostly in markets which meet on fixed days in the week in some places and daily in more important villages and in these markets the village trade goes on. Here may appear the shop-keepers of the neighbouring town or hawkers or itinerant dealers whose object of visit is two-fold. They supply the village people with articles of merchandise they bring and at the same time make purchases of the village produce. The religious festivals and fairs, some of which are attended by large numbers of pilgrims and visitors, also serve as important markets for exchange of commodities. It is thus that trade begins in India in

villages. The produce of each village is either sold or used for local consumption and the surplus exchanges hands. It ultimately finds its way into towns where again it is treated in the same way. It may either be used for consumption in the town or round about or despatched to big towns which are the trade centres. These centres again are useful to the trade in just the similar way. The wares are either used for consumption in the town or country round or taken away to the ports' in order to be exported to foreign countries.

Imported merchandise is distributed by the same agency working in the opposite direction. Whatever is brought from foreign countries is landed at the ports. From there it finds its way to big cities and thence to small towns and thence to villages—each place sending out whatever is surplus and to spare after the needs of locality have been met.

Thus the internal trade of India may be divided into two kinds :

- (a) Trade between different parts of the country and
- (b) Traffic between trade centres and ports.

The former is largely concerned with supplying the surplus produce of one part of the country to its other parts and the latter with the collections of products for export.

The internal trade thus leads to foreign trade.

India is a big country and on account of its peculiar geographical position its people have lived in isolation from the rest of the world. The large barriers of the Himalayas worked as an impediment in the development of intercourse between Indians and the rest of the Asiatics and the vastness of the seas in the

South kept them from being a maritime people, but it is to their credit that from the very earliest times, trade between India and the neighbouring countries was carried on by land as well as by sea.

As early as the sixth or seventh century B. C. India had commercial relations with Italy, Greece, Egypt, Phoenicia, Arabia, Syria, Persia, China, the Malay Peninsula and the islands of the Indian Archipelago. The chief Indian seaports were: Barygaza, (modern Broach), Saurashtra (Surat), Masalipatan, Barbarkon, Mouziris, and Nelkunda. There were other commercial towns, some of which also attained to great eminence. The chief articles of export were rich apparels made of silk and cotton, pearls, diamonds and other precious stones, ivory, spices, drugs and aromatics; and those of import were gold, silver, brass, copper and tin. A brisk coastal trade was also maintained between the seaport towns.

Trade by land with Central Asia, China and other parts of Asia, as well as some countries of Europe, was carried on by caravans. There were several trade routes which were availed of by the merchants.

The commercial activities were continued in full vigour till the ninth or tenth century A D. During the Mohammedan rule, however, maritime commerce was gradually abandoned, but the trade intercourse by land was maintained. In 1498, Vasco da Gama rounded the Cape of Good Hope and opened a route for commerce between India and Europe, so much easier, cheaper and safer than any that had previously been used as to completely change the destinies of the country and its relations to the general affairs of the world. Foreign maritime commerce was thus once again revived, this time, however by Europeans. In the seventeenth and eighteenth

centuries, the Dutch, the Portuguese, the French and the English Companies competed with one another for the largest share in the commerce with India. Ultimately, the English East India Company was able to practically oust the other companies from the Indian waters. The invention of steamships led to a further increase of the maritime commerce. And lastly, the excavation of the Suez Canal brought India much nearer to Europe and gave a fresh impetus to the commercial development of the country.

The trade of the company was not much in the beginning. The country was full of internal disorders. Robbers infested roads and rivers and transport was very difficult. The appliances at the port of the shipment of merchandise were also of the most primitive type. Freight charges from India to England by way of the Cape Good Hope were also very high.

Ultimately the country passed from the hands of the Company into the hands of the Crown and foreign trade progressed apace. The opening of the Suez Canal in 1869 reduced the voyage from London to Bombay from hundred or more days to three weeks, and thus saved the export trade from being damaged by insects in the long journey and gave opportunities to English manufacturers to sell their goods in India.

Encouragements then began to be offered to trade. In the beginning they were indirect and even roads and railways were constructed not for commercial purposes but owing to military needs. But at the end of the 19th century a new department was constructed in the Government of India to deal with matters relating to Agriculture and Commerce. It was abolished after sometime and considerations of commercial questions were transferred

PART IV

AIDS TO TRADE.

CHAPTER XVII INTRODUCTORY.

In dealing with Aids to Trade I have presumed existence of peace. Unless there is peace no trade worth the name is possible. The late European War has opened eyes of the people and shown clearly the enormous extent to which injury is done by War. The great nations of the world are therefore busy finding out a basis for out-lawing war and establishment of eternal peace. Happy would be the day when this is done, but in the meantime it can safely be said that the world is emerging from the evil effects of the late war. Some countries have become restored

to pre war basis of trade while the rest are progressing towards it

Existence of peace is therefore the *sine qua non* and the other facilities which encourage trade can be summarised as .—

1. Reliable and convenient methods of payment
- 2 Cheap and rapid means of transport and communications,
- 3 System of insurance and
- 4 Discoveries and inventions.

We shall take up these in this book one by one in the order given above and then complete the book by a description of what modern commerce is as compared to what it was a century ago

CHAPTER XVIII.

METHODS OF PAYMENT.

The first assistance that can be rendered

to trade is to have some definite methods of making payments. These methods are of three kinds —

1. State provided Methods
2. Bank provided Methods
3. Other Methods.

STATE PROVIDED METHODS

Among the State-provided methods may be coined money, Treasury bills and money orders. The State issues gold, silver and other coins and makes them legal tender; i.e. the person owing money may compel the person to whom he owes to accept it in payment of his debt. The legal tender may be limited or unlimited. It is limited when the coin may be given in payment only upto a certain amount while it is unlimited when the whole debt whatever may be its amount can be discharged by making payments in that coin. Let us take illustrations. A Sovereign is a

gold coin of England and it is unlimited legal tender there. A rupee is a silver coin of India and it is unlimited legal tender in India. A Shilling is a silver coin in England and it is a limited legal tender there as no body can be forced to receive payment in that coin beyond 40 shillings. We have seen in an early chapter of this book how originally trade took place only through Barter. When money became introduced it took a big step forward in facilitating trade. Money is yet a great facility to trade but various other means for making payment have been brought into existence which we shall deal with in this chapter.

Besides issue of coins the State issues Treasury Notes. The Treasury Notes are really promises made by the Treasury that the State is debtor to the holder of the notes for the amount specified in them. Such notes are said to be convertible when they

can be presented to the Treasury at any time and cash obtained for them and they are said to be inconvertible when the Treasury will not make payments in cash in exchange for them as and when a person having them presents them but they readily exchange hands in the public in payment of the amounts specified therein. Convertible Treasury Notes are called Currency Notes in India.

Money orders whether they be postal or telegraphic also facilitate payment, when small amounts are necessary to be remitted from one place to another. A small charge is made for transmission and the money reaches its destination.

BANK-PROVIDED METHODS.

Now we come to Bank-provided methods. A bank is an institution which deals in money and credit. It receives deposits and pays them back on receiving instructions. These

instructions are generally conveyed to a bank by means of a Cheque which is only an order given to the bank by one who has deposited money with it to pay at demand a certain amount of money to the person named.

Banks are sometimes authorised to issue notes also which are very often inconvertible notes and payment is made through them just in the way payment is made through Treasury Notes.

OTHER METHODS.

Amongst other methods of making payment which are very important are Bills of Exchange and Promissory Notes.

Bills of exchange are unconditional orders in writing, drawn by one person who directs another person to pay a certain amount of money on a given date or on demand to a third person, Bills of exchange are specially useful when payment is necessary to be made

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in a foreign country. Let us take an illustration. A Pharsi merchant in Bombay purchases goods from an English merchant in London. He has now to pay for the goods purchased. He can send India rupees to London but that would be unwise. In the first place the Indian rupee is not legal tender in England and the London merchant would refuse to accept the Indian coins and in the second place the cost of sending the money would add considerably to the cost of goods. The bill of exchange gets over both these difficulties. This will become clear if a second transaction is imagined in which an Indian merchant sells goods to an English merchant in London. For convenience assume that the invoice in each case was Rs. 1,000.

Now the Pharsi merchant in Bombay owes money to the English merchant in London and another English merchant in London owes

money to the Indian merchant. The Pharsi merchant may draw a bill of exchange which the English merchant accepts. This bill the other English merchant purchases and passes on to the Indian merchant who accepts it in payment of his dues. Thus through the bill of exchange both the merchants in India and England have been paid without transfer of actual coin from one country to another.

Promissory Notes are unconditional promises in writing, made by one person to another and signed by the maker engaging to pay, on demand or at some given date a certain sum of money to a specified person.

The main difference between a bill of Exchange and a Promissory note is that the former is an order to the third person and the latter is a promise by the maker.

CHAPTER XIX.

MEANS OF TRANSPORT AND COMMUNICATION.

Transport is the carriage of goods from the place of production to the place of consumption through various agencies. For the growth of trade the development of means of rapid and cheap transportation is essential.

In primitive times the great mass of population had wants of primitive nature and these could easily be satisfied by produce of their own lands or the crude manufactures of village artisans. If there was any exchange of articles with neighbouring villages it was probably in small quantities and the merchant may have carried his wares on his own shoulders or hired coolies just as village banias do even now. The tracks of village people generally following the geographical contours of the country would have originally

helped people in bringing about inter-communications between the parties trading but the construction of roads in due course of time in the country changed the whole aspect. Pack animals came into vogue and carriers came into importance. Gradually wheeled traffic became introduced. Thus as civilisation advanced means of rapid and cheap transportation became more common till ultimately railways came in and they revolutionised the whole aspect of trade and commerce. Railways now connect all principal cities and market towns with each other and with the nearest port. They generally have their one terminus at the port towns and the other at the various market towns. It is to the port towns that commodities are brought from various markets for shipment to foreign countries and it is from here that articles brought from foreign countries are taken

inland to various market towns. The railways thus help in promoting trade. Under their influence the whole of India is fast becoming one market.

Roads as means of transport have played an important part before the introduction of railways but with the appearance of motor vehicles interest in them has become revived. No wonder if in future roads resume importance as very convenient means of transport

So far we have dealt with means of transport on land, now let us think of water.

In olden times trade would have gone on in country boats in navigable rivers and market towns must have arisen in places favourably situated. This is perhaps the explanation of big trading centres in the Gangetic plains being all along river banks. Just like rivers canals must have also furnished means of communication but it is the sea when it is

considered as the great high way of commerce that the importance of water ways become apparent. On land roads and railways had to be constructed and maintained while on the sea nature supplies and maintains the tracks leaving to man simply the provision of the vehicles. Through the efforts of man this provision has now become very efficient and sea-transport now connects different parts of the world and makes commerce easily possible with more distant countries.

Closely allied with the transport of goods is the transmission of news, and in this sphere inventions have been made of inestimable value to commerce.

Originally the only means of communication was a personal meeting or a verbal message sent through some one. Written letters began to be used in due course but there was no regular agency to take them to

the addressees. Many a time the letter had to wait for a suitable opportunity in order to get itself transmitted. Improvements however followed and regular Post Offices came to be established which made the transmission of letters regular and cheap. Then followed a number of inventions which made the transmission of communications still cheaper and quicker

Electric telegraph was patented and came into practical use in the middle of the nineteenth century. First permanently successful submarine cable was laid across the Atlantic soon after Telephone, in its present form, first became known about the same time. Wireless telegraphic messages were first sent across the Atlantic at the beginning of the 20th century. These facilities for communication have rendered the great task of the commercial man—viz. the co-ordination

of supply and demand—much easier. Now messages can pass to the region of supply, even if it be at the other end of the earth, in a few hours.

CHAPTER XX

INSURANCE

In each section of commercial life—the conduct of trade, and transportation there is always the possibility of losses being incurred by accidents, fire, shipwreck, or in some other way. With the growth of business knowledge and experience it has become possible to put many of these risks upon an actuarial basis and to indemnify the loser by means of a system of insurance. This may be defined as a contract by which a person, in consideration of a lump sum of money, or of a periodical payment, undertakes to pay to another a larger sum on the happening of a particular

untoward event. Insurance does not prevent these occurrences, but by it the insured is indemnified against any financial loss which may result from them. So far he secures that tranquillity and peace of mind which is an asset of the first importance in any man's work. Through insurance, he adds to his security, and the price paid for this boon is relatively insignificant. One may look upon insurance premiums as so many small losses incurred with the object of spreading the liabilities of business over a wider area.

Insurance thus affords another facility to trade and is a help in encouraging people to undertake business which they would hesitate to do if they had no hopes of being indemnified by means of insurance policy for the loss incurred in case an untoward event happened in the course of trade.

CHAPTER XXI.

DISCOVERIES AND INVENTIONS.

The extent of commerce is limited by the extent of the markets, and as every part of the world is a potential market, the progress of discovery has played a striking part in the advance of commerce. Any increase in our knowledge of the earth's surface has led to a corresponding increase in the area of the world market, and therefore to an increase of trade. Early trade was mainly carried on in the circumscribed areas and not until the sixteenth century was commerce on a large scale possible. Then the discovery of America and the opening up of the Cape route to India, considerably enlarged the sphere of commercial activity. It took about two hundred years, however, before the effects of these discoveries exercised much influence on trade. They led to conflicts between colonising powers,

locomotion. The two latter were the natural consequence of the first; a more powerful motive force than wind or water was needed, hence the development of the steam engine took place, while the transport of the increased volume of production led to the application of steam to transport both on land and sea. These advances, it should be noted, were rendered possible by the enormous stores of iron and coal possessed by England, and by inventions which contributed to the more economical extraction of the former mineral from its ores. The combined effects of these three groups of discoveries was to make England, during the first half of the nineteenth century, the workshop of the world, and join different parts of the world together.

CHAPTER XXII

MODERN COMMERCE

Modern Commerce is the greatest wonder civilisation has produced. It is no doubt a result of the slow growth of the peaceful activities of the civilised world but the most notable progress was achieved in the nineteenth century.

There has been enormous growth in foreign commerce and it may well be said that the whole world now is practically one market and quick action is the rule of the day.

In former times a merchant who gave an order involving the transportation of goods over long distances took a leap in the dark. He was fortunate if he could estimate with some accuracy the expenses of the transportation, but the modern merchant feels aggrieved if a telegram is delayed a few minutes, a train a few hours and a steamer a few days.

His expectations, indeed, are seldom disappointed, and even then he is often informed of the probable duration of the delay, and is enable to prepare for it. The rates of transportation now are also relatively stable, and, for the most part, a matter of public knowledge. Moreover they are much reduced in amount. There is further a point which deserves notice in this connection and it is this. A considerable part of the world's capital, a century ago, was locked up in goods in transit or in warehouses. These goods were of no use to anybody. Nowadays not only are goods put where they are wanted, they are put there with such speed and certainty that merchants do not need to keep a large stock on hand, and the stock in transit is relatively small. In the Indian Trade, for instance, when a voyage around the Cape of Good Hope took a good part of a year, and the

time of arrival could not be calculated within a month or two, Indian merchants had to keep great stocks to meet the varying demand. Now that steamers make the trip by the Suez Canal in a month, and the time of their arrival is exact to a day, dealers now order goods as they are needed

In these circumstances the modern commercial organisation has become very sensitive, anything that takes place in one part of the world will take no time in having its effects felt in the other parts however distant they may be. The sensitiveness is shown by the readiness with which the currents of trade are turned or even reversed to suit the occasion. It has been said that commerce turns from one side of the globe to the other on a difference of a cent on a bushel of grain, a dollar on a ton of metal, a quarter of a cent a yard on a textile fabric or

a sixteenth of a cent on a pound of sugar. It would thus be plain that the power and efficiency of the present commercial organisation is very great. It meets the supreme test of maintaining a population greater than in any previous period of the world's history, on a scale of comfort formerly unknown.

But no sensible man believes that it is perfect. Many criticisms, which are too wide and various to be dealt with here, have been directed against it from various points of view. We must not however omit the consideration of one confessed weakness and it is this. The organisation is wonderfully efficient in normal times, but it is unsteady. It passes, at intervals, through periods of feverish activity, culminating in a crisis and followed by dull stagnation. A curve showing the course of the world's trade during the twentieth century would not present a steady

rise, but a series of waves, with distinctly marked crests and troughs. There is a waste of labour and capital in all periods of crisis. In the good time men strain themselves to build railroads where they are not needed, or to make machines for which there is no profitable use. Sooner or later they come to their senses with a shock, and realise that they have been wasting their time, then they are as depressed as they formerly were sanguine, and are too timid for a time to make good use of the capital which the crisis has left on their hands.

With this one exception the present expansion in trade appears to be for the good of the world.

We may now cast a look at the possible causes to which this phenomenon of modern commerce may be ascribed to be due. Told in nutshell it may be put down that it is Aids

It is sincerely hoped that a perusal of this book would produce interest in the study of writings of standard authors on the subject.

LIST OF BOOKS CONSULTED.

- 1 Marshall Economics of Industry
- 2 , Principles of Economics
- 3 , Industry and Trade
- 4 Banerji Indian Economics
- 5 Sirkar Economic of British India
- 6 Ray Indian Economics
- 7 Basu Economic Principles for Indian Readers
- 8 Kale Indian Economics
- 9 Moreland Economics for Indian Students
10. Morison New Indian Geography
- 11 Benson Economics of Everyday Life
- 12 Monson Industry of an Indian Province
- 13 Dubey Agricultural Progress in India
- 14 Barlow Industrial India
- 15 Gazetteer of India Vol III.
- 16 Heelis Theory and Practice of Commerce
- 17 Perkin and Leake Economics of Agriculture
- 18 Clerk Elements of Commerce
- 19 Clive Day Commerce.
- 20 Abbott Commercial Theory and Practice.

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